

MAINE STATE LEGISLATURE

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SECOND REGULAR SESSION

ONE HUNDRED AND THIRTEENTH LEGISLATURE

Legislative Document

NO. 2071

H.P. 1518 House of Representatives, January 15, 1988
Approved for introduction by a majority of the
Legislative Council pursuant to Joint Rule 26.

Reference to the Committee on State and Local Government
suggested and ordered printed.

EDWIN H. PERT, Clerk

Presented by Representative ROLDE of York.

Cosponsored by Speaker MARTIN of Eagle Lake,
Representatives ERWIN of Rumford and FARNUM of South Berwick.

STATE OF MAINE

IN THE YEAR OF OUR LORD
NINETEEN HUNDRED AND EIGHTY-EIGHT

1 AN ACT to Amend the Maine Uniform
2 Accounting and Auditing Practices Act for
3 Community Agencies.
4

5 Be it enacted by the People of the State of Maine as
6 follows:

7 5 MRSA §1654, sub-§6 is enacted to read:

8 6. Reimbursement. The Division of Community
9 Services shall allocate funding to defray audit costs
10 to subgrantees electing to perform agency-wide

1 audits in accordance with the Maine Uniform Accounting
2 and Audit Practices Act for Community Agencies. This
3 funding shall be allocated within 60 days after the
4 end of each subgrantee's fiscal year. The amount of
5 funding to be provided to subgrantees in accordance
6 with this Act shall be determined as follows:

7 A. The division shall calculate the average
8 amount which it has paid or obligated to engage
9 certified public accountant firms to audit
10 subgrantee financial and program compliance, as a
11 percentage of the total amount of subgrant funds
12 subject to audit, for the 3 program years ending
13 September 30, 1987. A separate percentage shall
14 be established for each program administered by
15 the division. These percentages shall be adjusted
16 annually based on the previous 3 years.

17 B. In the case of subgrantees electing to perform
18 agency-wide audits, the amount of supplemental
19 funding for audit costs to be awarded to each
20 subgrantee will be determined by multiplying the
21 total amount of funding provided to each
22 subgrantee times the percentage established in
23 paragraph A.

24 STATEMENT OF FACT

25 This bill directs the Division of Community
26 Services to pass along funding which it would have
27 otherwise spent to perform audit services to those
28 subgrantees who elect to perform agency-wide audits
29 pursuant to the Maine Uniform Accounting and Audit
30 Practices Act for Community Agencies. There will be
31 no additional costs to the State. This bill will
32 eliminate currently existing duplicative audit
33 practices.

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